

ABSTRACT

The “Disparity” Factor in International Trade and Export Marketing: A Case study of Trinidad and Tobago

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The increasingly integrated global economy, necessitate that developing countries take cognisance of their ability to successfully penetrate foreign markets. This is necessary if small open developing economies, like Trinidad and Tobago hope to increase net export revenue over time in order to facilitate future growth and development. This thesis argues that it is imperative for domestic industries to maximise both actual and latent productive capacities to achieve this goal.

In arguing this case, the research integrates economic theory with marketing insights to emphasize the ‘Disparity’ factor that underlies export marketing. It is argued that this ‘Disparity’ factor provide both nations and firms with a competitive edge. The ‘Disparity’ concept elaborates upon the concept of comparative and competitive advantage in that it identifies the reasons, which account for the existence of these advantages.

Our empirical investigation revealed that the majority of unsuccessful exporting firms in Trinidad and Tobago did not exploit their ‘Disparity’ factors in their quest to increase their level of exports. However, it was found that

successful exporters did indeed capitalise on their existing 'Disparity'. The export experience of firms in Trinidad and Tobago, since 1987, provides valuable lessons for policy makers in other developing countries. In particular our findings partially bridge the significant gap between the successful negotiations of favourable market access for domestic firms and the failure by regional firms to translate such access into an increase in export sales.

Keywords: International Trade, Comparative Advantage, Competitive Advantage, 'Disparity', Export Marketing.